GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:2814
ANSWERED ON:12.12.2006
DESIGN PROCESS OUTSOURCING
Bhakta Shri Manoranjan

Will the Minister of TEXTILES be pleased to state:

(a) whether the Government proposes to extend the subsidy to the Design Process Outsourcing under Scheme for Integrated Textile Parks;

(b) if so, the details thereof; and

(c) the measures taken by the Government to sustain the growth rate in the textile sector and to bring the textile industry at par with the international level/market?

Answer

MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI E.V.K.S. ELANGOVAN)

(a) & (b): Under the Scheme for Integrated Textile Parks (SITP), Government assistance is provided for infrastructure development, inter alia including, common infrastructure like compound wall, roads, drainage, water supply, electricity supply including captive power plant, effluent treatment, telecommunication lines etc., common facilities like testing laboratory, design center, training center, trade center/display center, ware housing facility/ raw material depot, crÃ¨che, canteen, workers hostel, offices of service providers, labour rest and recreation facilities etc. and factory buildings. The project is executed by a Special Purpose Vehicle (SPV) promoted by Industry Associations / Group of Entrepreneurs.

(c): Government has been taking a number of steps from time to time for overall growth of the textile industry, some of which are given under:-

i. 100% Foreign Direct Investment is allowed in the textile sector under the automatic route.

ii. The Government has de-reserved the readymade garments, hosiery and knitwear from the SSI sector.

iii. The Technology Upgradation Fund Scheme (TUFS) has been in operation since 01.04.1999 to facilitate modernisation and upgradation of the textile industry.

iv. To improve the productivity and quality of cotton, Government has launched the Technology Mission on Cotton (TMC). Incentives are provided for better farm practices, quality seeds, improvement in market infrastructure and modernisation of ginning & pressing sector.

v. With the objectives of imparting a focused thrust to set up apparel units of international standards and upgrading infrastructure facilities at important textile centres, the Government had launched the Apparel Park for Exports Scheme (APES), and Textile Centre Infrastructure Development Scheme (TCIDS). Under these two schemes 30 projects had been sanctioned with an estimated support from Government of India of Rs. 463.37 crore. However, after reviewing the implementation of these two schemes, a new scheme, namely, Scheme for Integrated Textile Parks has been launched by merging the two schemes to equip the industry with world-class infrastructure facilities for setting up their textile units. 26 projects have been approved under the SITP with an estimated project cost (infrastructure component) of Rs.2411.20 Crore, out of which Government of India support would be Rs. 862.55 Crore.

vi. The fiscal duty structure has been generally rationalised to achieve growth and maximum value addition within the country.

vii. The import of specified textiles and garment machinery items has been allowed at a concessional rate of customs duty to encourage investments and to make our textile products competitive in the global market.

viii. The National Institute for Fashion Technology (NIFT) and the Apparel Training & Design Centers (ATDCs) are running various courses/programmes to meet the skilled manpower requirements of the textile industry.

ix. Facilities like eco-testing laboratories have been created for testing of textile products.